

Consolidated Financial Results for the Six Months ended September 30, 2015

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Consolidated Financial Results

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Notes:

- Revenue and expense accounts of consolidated foreign subsidiaries were previously translated into Japanese yen at the "current exchange rate" prevailing as of the respective balance sheet date. From the first quarter of FY2015, we have changed the translation method to one using the "average exchange rate" and which change has been applied retrospectively. Therefore, in this material, the financial figures for FY2014 are based on the "average exchange rate".
- From the first quarter of FY2015, "Net income" is presented as "Net income attributable to owners of parent".
- Amounts are rounded down to the nearest million yen for calculating percentages of year-on-year changes and composition ratios.
- The forward-looking statements such as operational forecasts contained in this document are based on the information currently available to the company and certain assumptions which the company regards as legitimate, and are not promises regarding the achievement of forecasts. Actual performance may differ greatly from these forecasts due to various present and future factors. The factors includes changes in the economic conditions in the company's principal markets, changes in demand for the company's products, fluctuations of exchange rates, and impacts of changes in various regulations, accounting principles and practices. Please also take note that forecasts in this document may change without prior notice unless required by laws.

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Consolidated Financial Results for the Six Months ended September 30, 2015

Net Sales

Overall sales were higher than one year earlier, thanks to higher sales in Financial Market, Retail & Transportation Market and Overseas Market.

Operating
income

Operating income increased year-on-year, driven by sales increase in Financial Market and Retail & Transportation Market.

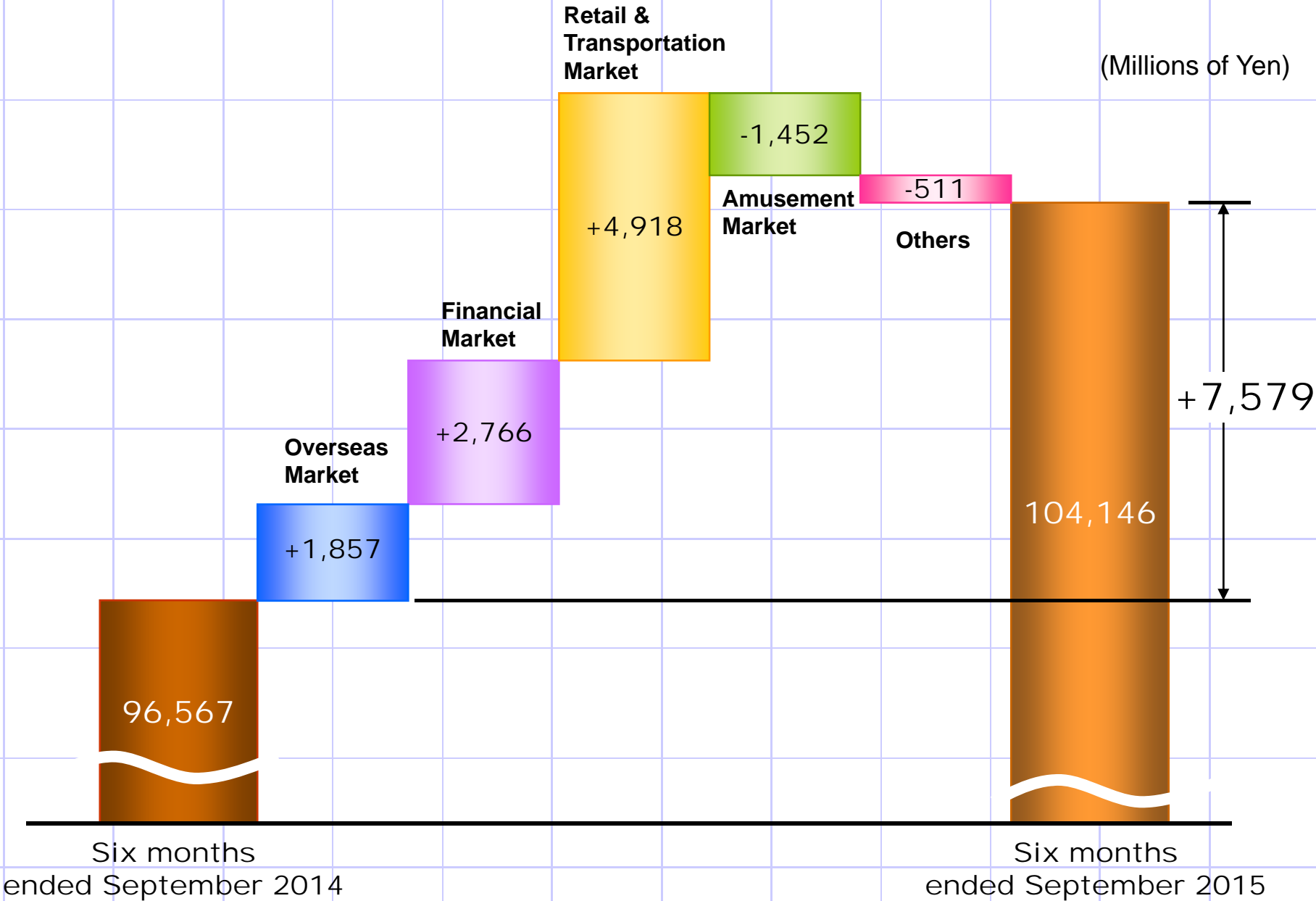
(Millions of yen)	FY2014		FY2015		Y-on-Y
	Six months ended September 30, 2014	Ratio	Six months ended September 30, 2015	Ratio	
Net Sales	96,567	100.0%	104,146	100.0%	+7.8%
Maintenance Services	30,560	31.6%	32,169	30.9%	+5.3%
Operating Income	4,987	5.2%	6,725	6.5%	+34.9%
Ordinary Income	6,708	6.9%	6,691	6.4%	-0.3%
Net Income Attributable to Owners of Parent	4,073	4.2%	3,016	2.9%	-26.0%
EBITDA*	12,410	12.9%	14,284	13.7%	+15.1%

Exchange rate	US\$	¥ 103	¥ 122
	Euro	¥ 140	¥ 134
	GBP	¥ 173	¥ 188

* EBITDA=Operating income(loss) + Depreciation and amortization + Goodwill amortization

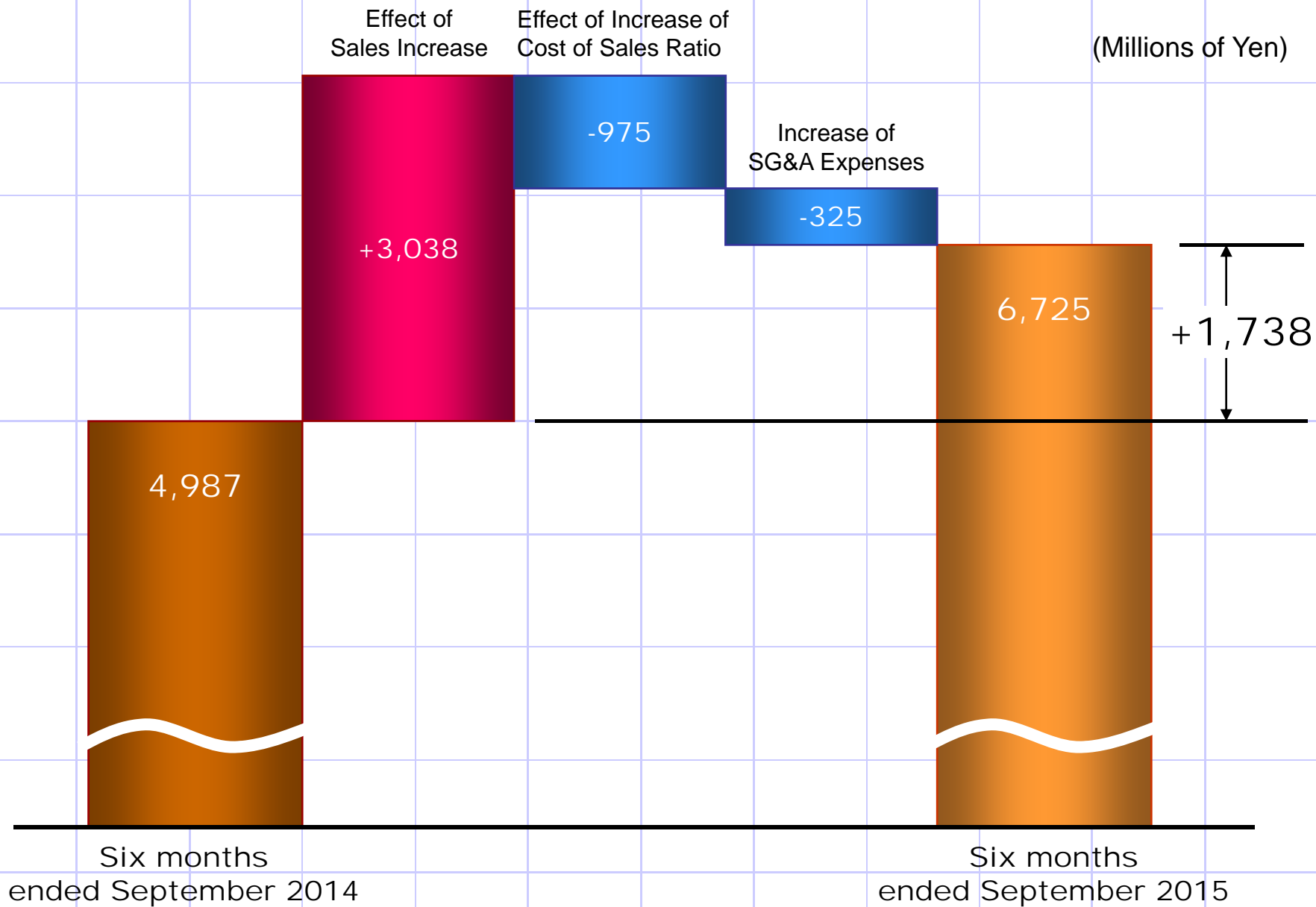
Factors of Net Sales Change

(Millions of Yen)



Factors of Operating Income Change

(Millions of Yen)



2

Details of Performance for the Six Months ended September 30, 2015

(Millions of yen)	Sales			Operating Income		
	Six months ended Sep. 30, 2014	Six months ended Sep. 30, 2015	Y-on-Y	Six months ended Sep. 30, 2014	Six months ended Sep. 30, 2015	Y-on-Y
 Overseas Market	44,327	46,184	+1,857 +4.2 %	1,379	891	-488 -35.4 %
 Financial Market	20,670	23,436	+2,766 +13.4 %	1,520	2,901	+1,381 +90.9 %
 Retail & Transportation Market	13,561	18,479	+4,918 +36.3 %	1,038	2,199	+1,161 +111.8 %
 Amusement Market	12,198	10,746	-1,452 -11.9 %	1,211	847	-364 -30.1 %
 Others	5,810	5,299	-511 -8.8 %	-163	-114	+49 - %
Total	96,567	104,146	+7,579 +7.8 %	4,987	6,725	+1,738 +34.9 %

Strong sales of banknote recyclers

(Millions of Yen)

Although sales of “banknote sorters” were sluggish in Europe and Asia, sales of this segment’s main product, “banknote recyclers,” were strong in the Americas and Europe. Moreover, sales of “coin and banknote recyclers” for the retail market were strong in Europe. Therefore, sales for the market overall were on par with the corresponding period of the previous year.

Outline of the Segment

Sales and maintenance services to financial institutions, cash-in-transit companies, retail stores, casinos, OEM clients and others in overseas.

Main Products



Banknote recyclers for tellers <RBG series>



Banknote sorters <UW series>



Cash recycling systems <CI-100 series>

	Six months ended Sep. 30, 2014	Six months ended Sep. 30, 2015	Y-on-Y
Sales	44,327	46,184	+1,857 +4.2 %
Ratio to total net sales	45.9%	44.3%	-1.6 pt
Operating income	1,379	891	-488 -35.4 %
Ratio to total operating income	27.7%	13.2%	-14.5 pt
Operating margin	3.1%	1.9%	-1.2 pt

(Millions of yen)	Six months ended Sep. 30, 2014	Six months ended Sep. 30, 2015	Y-on-Y
Americas	13,364	16,986	+3,622 +27.1 %
Europe	19,097	19,338	+241 +1.3 %
Asia	8,312	5,964	-2,348 -28.2 %
China	3,149	2,541	-608 -19.3 %
Total direct sales	40,774	42,288	+1,514 +3.7 %
OEM	3,552	3,895	+343 +9.7 %
Total overseas sales	44,327	46,184	+1,857 +4.2 %

Robust sales of main products

(Millions of Yen)

Sales of this segment's main product, "open teller systems," were strong for compact models for small- and medium-sized financial outlets and sales of "coin and banknote recyclers" for tellers were also robust due to our capturing of replacement demand.

Outline of the Segment

Sales and maintenance services to financial institutions, OEM clients and others in Japan.

Main Products



Open teller systems
<WAVE series>



Coin and banknote
recyclers for tellers
<RB series>



Multi-functional
banknote changers
<EN series>

	Six months ended Sep. 30, 2014	Six months ended Sep. 30, 2015	Y-on-Y
Sales	20,670	23,436	+2,766 +13.4 %
Ratio to total net sales	21.4%	22.5%	+1.1 pt
Operating income	1,520	2,901	+1,381 +90.9 %
Ratio to total operating income	30.5%	43.1%	+12.6 pt
Operating margin	7.4%	12.4%	+5.0 pt

Favorable sales of coin and banknote recyclers for cashiers (Millions of Yen)

Sales of “coin and banknote recyclers” for cashiers, the main product in this segment, were strong. Moreover, sales of “sales proceeds deposit machines” for the retail market and “sales proceeds deposit machines” in the cash-in-transit market were robust due to our capturing of replacement demand.

Outline of the Segment

Sales and maintenance services to supermarkets, department stores, cash-in-transit companies, railroad companies and others in Japan.

Main Products



Coin and banknote recyclers for cashiers <RT / RAD series>



Sales proceeds deposit machines <DSS series>



Sales proceeds deposit machines <DS series>

	Six months ended Sep. 30, 2014	Six months ended Sep. 30, 2015	Y-on-Y
Sales	13,561	18,479	+4,918 +36.3 %
Ratio to total net sales	14.0%	17.7%	+3.7 pt
Operating income	1,038	2,199	+1,161 +111.8 %
Ratio to total operating income	20.8%	32.7%	+11.9 pt
Operating margin	7.7%	11.9%	+4.2 pt

Weak sales of card systems

(Millions of Yen)

Sales of this segment's main products such as "card systems" were sluggish, mainly reflecting constraint toward investment in pachinko parlors.

Outline of the Segment

Sales and maintenance services to amusement halls (pachinko parlors) and others in Japan.

Main Products



	Six months ended Sep. 30, 2014	Six months ended Sep. 30, 2015	Y-on-Y
Sales	12,198	10,746	-1,452 -11.9 %
Ratio to total net sales	12.6%	10.3%	-2.3 pt
Operating income	1,211	847	-364 -30.1 %
Ratio to total operating income	24.3%	12.6%	-11.7 pt
Operating margin	9.9%	7.9%	-2.0 pt

Higher sales of cigarette vending machines

(Millions of Yen)

Sales of the cigarette vending machines were strong due to capturing of customer demand for replacement. Sales of medical payment kiosks were also favorable, while sales of banknote recycling units for horse race ticket vending machines were weak.

Note: The “ticket vending machine”, which had been classified under “others” until FY2014, is now reported under “retail and transportation market”.

Outline of the Segment

Sales and maintenance services to tobacco shops, tobacco companies, hospitals, local governments, general companies and others in Japan.

Main Products



	Six months ended Sep. 30, 2014	Six months ended Sep. 30, 2015	Y-on-Y
Sales	5,810	5,299	-511 -8.8 %
Ratio to total net sales	6.0%	5.1%	-0.9 pt
Operating income	-163	-114	+49 - %
Ratio to total operating income	-	-	- pt
Operating margin	-	-	- pt

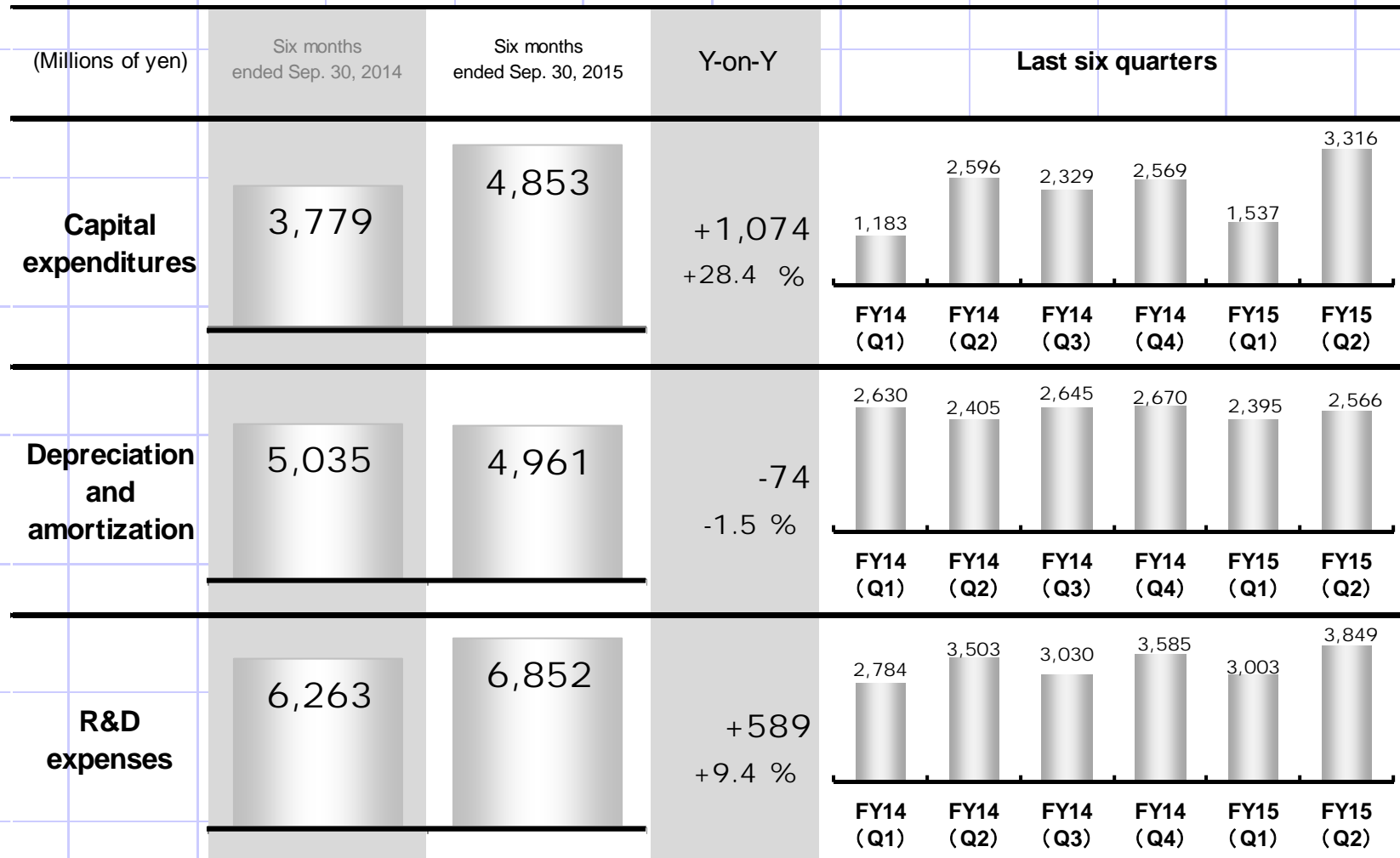
Sales & Operating Income by Business Segment (Vs. forecast)



(Millions of yen)	Sales			Operating Income		
	Six months ended September 30, 2015		Y-on-Y	Six months ended September 30, 2015		Y-on-Y
	Forecast	Result		Forecast	Result	
Overseas Market	47,000	46,184	-816 -1.7 %	1,000	891	-109 -10.9 %
Financial Market	23,000	23,436	+436 +1.9 %	2,500	2,901	+401 +16.0 %
Retail & Transportation Market	17,500	18,479	+979 +5.6 %	1,700	2,199	+499 +29.4 %
Amusement Market	11,000	10,746	-254 -2.3 %	800	847	+47 +5.9 %
Others	6,500	5,299	-1,201 -18.5 %	0	-114	-114 - %
Total	105,000	104,146	-854 -0.8 %	6,000	6,725	+725 +12.1 %

The forecast figures are as of August 5, 2015.

Capital Expenditures etc.



(Millions of Yen)

	Six months ended September 30, 2014		Six months ended September 30, 2015		Y-on-Y
		Ratio		Ratio	
Net sales	96,567	100.0%	104,146	100.0%	+7,579
Cost of sales	57,862	59.9%	63,378	60.9%	+5,516
Selling, general and administrative expenses	33,717	34.9%	34,042	32.7%	325
Operating income	4,987	5.2%	6,725	6.5%	+1,738
Non-operating income	2,235	2.3%	753	0.7%	-1,482
Non-operating expenses	514	0.5%	786	0.8%	+272
Ordinary income	6,708	6.9%	6,691	6.4%	-17
Extraordinary income	25	0.0%	3	0.0%	-22
Extraordinary loss	222	0.2%	28	0.0%	-194
Income before income taxes and minority interests	6,510	6.7%	6,667	6.4%	+157
Income taxes	2,035	2.1%	3,082	3.0%	+1,047
Net Income	4,475	4.6%	3,584	3.4%	-891
Net income attributable to owners of parent	4,073	4.2%	3,016	2.9%	-1,057
Net Income	4,475	4.6%	3,584	3.4%	-891
Valuation difference on available-for-sale securities	267		-172		-439
Foreign currency translation adjustment	1,218		1,450		+232
Remeasurements of defined benefit plans	277		-429		-706
Total other comprehensive income	1,763	1.8%	848	0.8%	-915
Comprehensive income	6,238	6.5%	4,433	4.3%	-1,805

Foreign exchange losses 252
(FY2014 H1: Foreign exchange gains 1,295)

Income taxes 3,082
(FY2014 H1: 2,035)

(Millions of Yen)

	As of March 31, 2015	As of Sep. 30, 2015	Increase/ Decrease		As of March 31, 2015	As of Sep. 30, 2015	Increase/ Decrease
Cash, deposits and Securities	66,776	58,913	-7,863	Notes and accounts payable-trade	21,366	18,882	-2,484
Notes and accounts receivable-trade	55,648	47,257	-8,391	Short-term loans payable	29,445	28,303	(2) -1,142
Inventories	41,630	48,335	+6,705	Other	40,563	34,757	-5,806
Other	10,600	11,163	+563	Total current liabilities	91,374	81,942	-9,432
Current assets	174,654	165,668	-8,986	Long-term loans payable	32,835	28,166	(2) -4,669
Property, plant and equipment	35,509	37,166	+1,657	Other	17,859	18,445	+586
Customer relationships	31,935	31,660	(1) -275	Noncurrent liabilities	50,694	46,611	-4,083
Goodwill	74,790	73,724	-1,066	Total liabilities	142,069	128,554	-13,515
Other	6,411	6,387	-24	Capital stock	12,892	12,892	0
Intangible assets	113,136	111,773	-1,363	Retained earnings	145,165	147,622	+2,457
Other	23,312	21,964	-1,348	Other	46,487	47,503	+1,016
Total noncurrent assets	171,958	170,903	-1,055	Total net assets	204,544	208,017	+3,473
Total assets	346,613	336,572	-10,041	Total liabilities and net assets	346,613	336,572	-10,041

(1) Customer relationships and goodwill decreased despite yen depreciation.

(2) Loans continued to decrease.

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Financial Forecast for FY2015

Net Sales






Higher sales thanks to expected sales expansion in domestic market.

Operating
income

Higher earnings thanks to estimated sales increase of main products and promotion of cost reducing measures.

(Millions of yen)	FY2014		FY2015		Y-on-Y
	Full year	Ratio	Full year (forecast)	Ratio	
Net Sales	222,356	100.0%	230,000	100.0%	+3.4%
Maintenance Services	63,205	28.4%	65,000	28.3%	+2.8%
Operating Income	18,693	8.4%	20,000	8.7%	+7.0%
Ordinary Income	22,211	10.0%	20,000	8.7%	-10.0%
Net Income Attributable to Owners of Parent	12,887	5.8%	11,500	5.0%	-10.8%
Exchange rate	US\$	¥ 110	¥ 120		
	Euro	¥ 140	¥ 130		
	GBP	¥ 177	¥ 175		

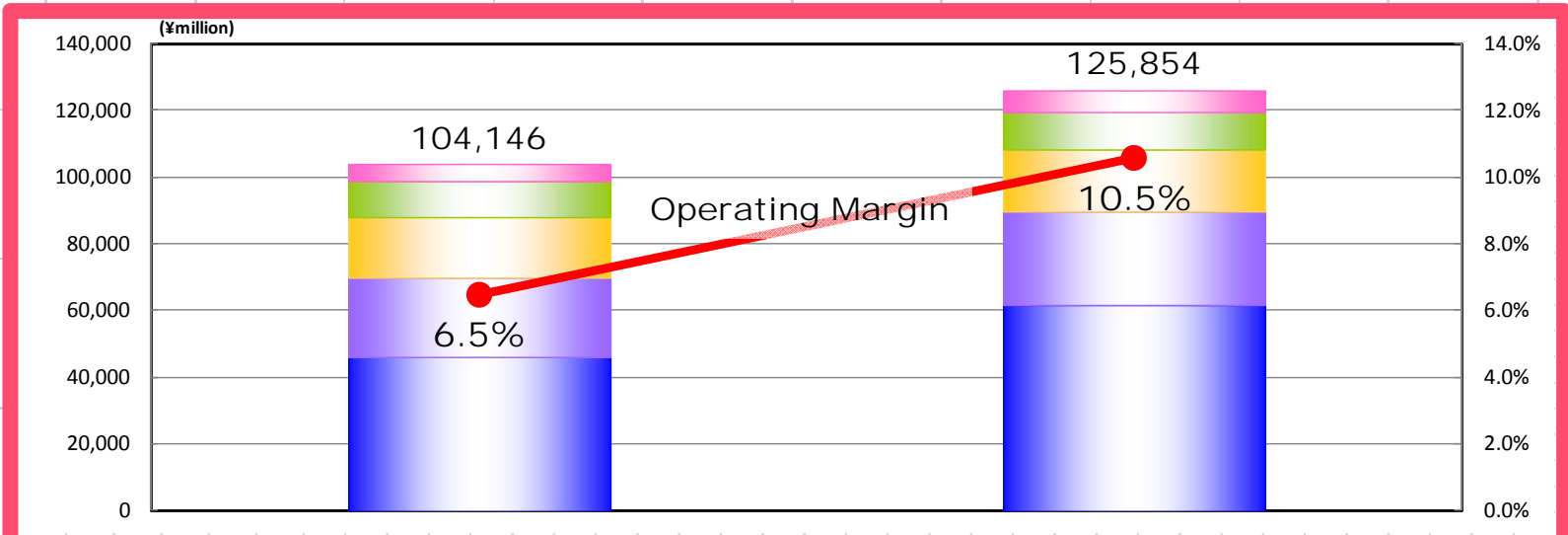
* Exchange rates for FY2015 are assumption rates.

(Millions of yen)	Sales			Operating Income		
	FY2014 Full year	FY2015 Full year (forecast)	Y-on-Y	FY2014 Full year	FY2015 Full year (forecast)	Y-on-Y
 Overseas Market	104,241	109,000 → 108,000	+3,759 +3.6 %	8,057	8,700 → 7,500	-557 -6.9 %
 Financial Market	48,116	51,500	+3,384 +7.0 %	5,502	6,100 → 7,000	+1,498 +27.2 %
 Retail & Transportation Market	29,886	34,500 → 37,000	+7,114 +23.8 %	2,463	3,100 → 3,900	+1,437 +58.3 %
 Amusement Market	25,432	22,000	-3,432 -13.5 %	2,460	2,000 → 1,600	-860 -35.0 %
 Others	14,679	13,000 → 11,500	-3,179 -21.7 %	210	100 → 0	-210 - %
Total	222,356	230,000	+7,644 +3.4 %	18,693	20,000	+1,307 +7.0 %

*FY2015 forecast;

Upper row : as of August 5, 2015

Under row : as of November 5, 2015



(Millions of yen)	FY2015 Q1-Q2 (result)		FY2015 Q3-Q4 (forecast)		Full year (forecast)	
	Sales	Operating income	Sales	Operating income	Sales	Operating income
Overseas Market	46,184	891	62,000 → 61,816	7,700 → 6,609	109,000 → 108,000	8,700 → 7,500
Financial Market	23,436	2,901	28,500 → 28,064	3,600 → 4,099	51,500	6,100 → 7,000
Retail & Transportation Market	18,479	2,199	17,000 → 18,521	1,400 → 1,701	34,500 → 37,000	3,100 → 3,900
Amusement Market	10,746	847	11,000 → 11,254	1,200 → 753	22,000	2,000 → 1,600
Others	5,299	-114	6,500 → 6,201	100 → 114	13,000 → 11,500	100 → 0
Total	104,146	6,725	125,000 → 125,854	14,000 → 13,275	230,000	20,000

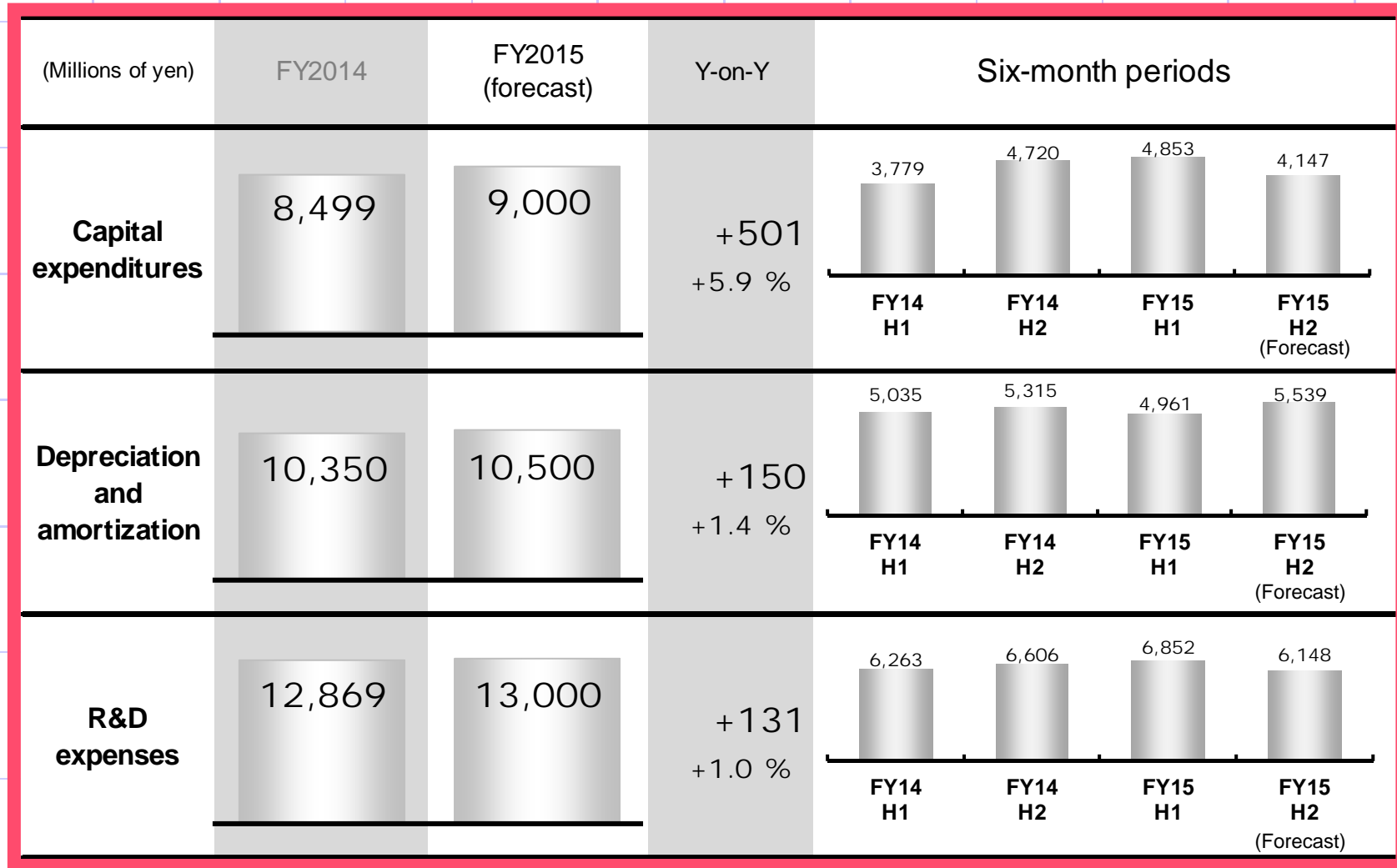
*FY2015 Q3-Q4 and full year forecast;
 Upper row : as of August 5, 2015
 Under row : as of November 5, 2015

(Millions of yen)	FY2015 Q1-Q2 (result)		FY2015 Q3-Q4 (forecast)		Full year (forecast)	
	Sales	Y-on-Y	Sales	Y-on-Y	Sales	Y-on-Y
Americas	16,986	+27.1 %	21,000 → 21,014	+1.4 %	36,500 → 38,000	+11.5 %
Europe	19,338	+1.3 %	23,000 → 22,662	+4.2 %	42,000	+2.8 %
Asia	5,964	-28.2 %	13,500 → 13,036	+3.7 %	22,000 → 19,000	-9.0 %
China	2,541	-19.3 %	9,000 → 6,959	-6.2 %	12,000 → 9,500	-10.1 %
Total direct sales	42,288	+3.7 %	57,500 → 56,712	+3.0 %	100,500 → 99,000	+3.3 %
OEM	3,895	+9.7 %	4,500 → 5,105	+5.1 %	8,500 → 9,000	+7.0 %
Total overseas sales	46,184	+4.2 %	62,000 → 61,816	+3.2 %	109,000 → 108,000	+3.6 %

*FY2015 Q3-Q4 and full year forecast;

Upper row : as of August 5, 2015

Under row : as of November 5, 2015

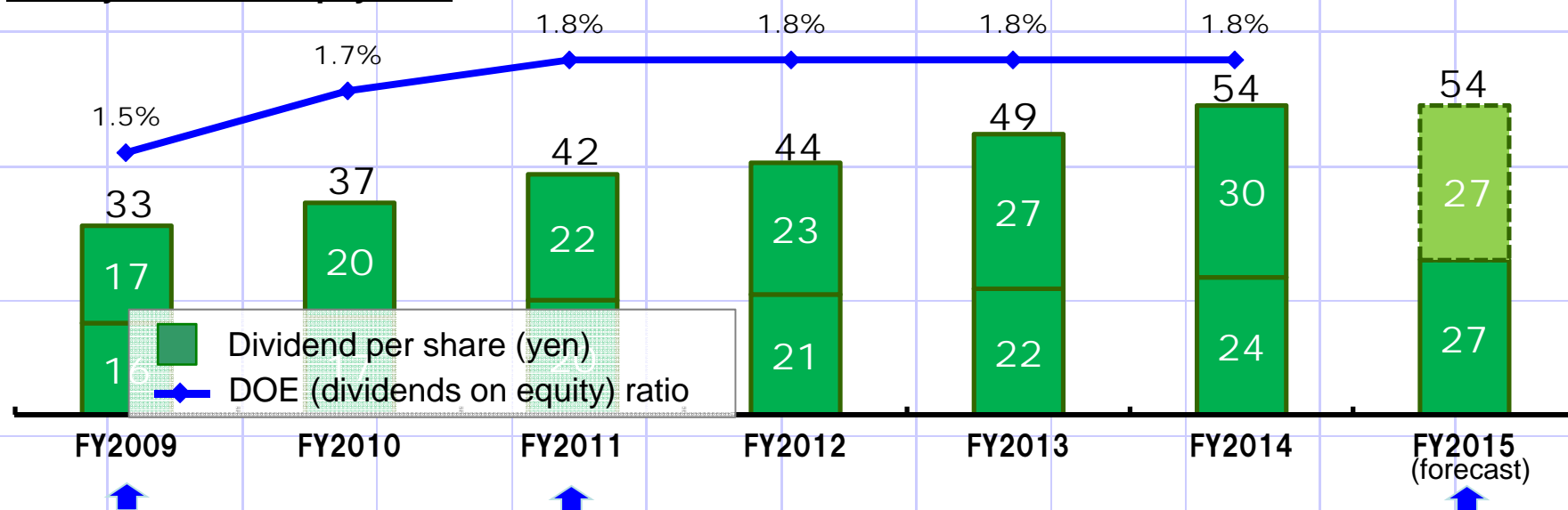


Basic policy on profit distribution

GLORY considers the return of profits to shareholders to be an important management task and retains a policy to continue stable dividends while striving to maintain and enhance sound financial standing in preparation for future business growth. In accordance with this policy, GLORY aims to attain a dividend payout ratio of 30% or higher on a consolidated basis.

Dividend per share FY2015	Interim	Year-end (forecast)	Annual (forecast)
	¥27	¥27	¥54 (Dividend payout ratio 30.8%)

History of dividend payment



Dividend policy

- DOE of at least 1.5%
 - Dividend payout ratio of at least 25%
- DOE of at least 1.8%
 - Dividend payout ratio of at least 25%
- Dividend payout ratio 30% or higher

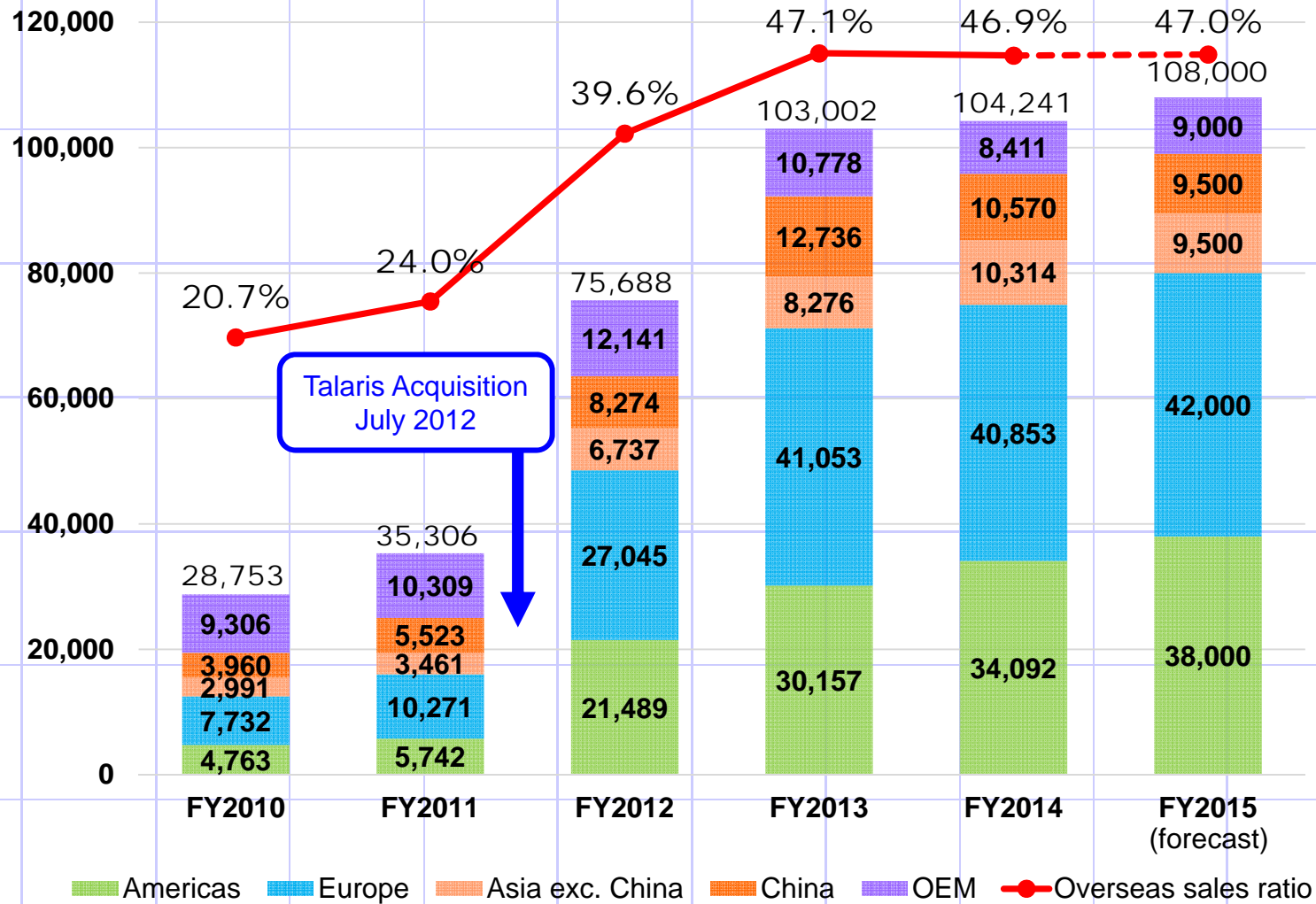
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Other Information

Sales trend of overseas sales by geographical segment



(Millions of yen)

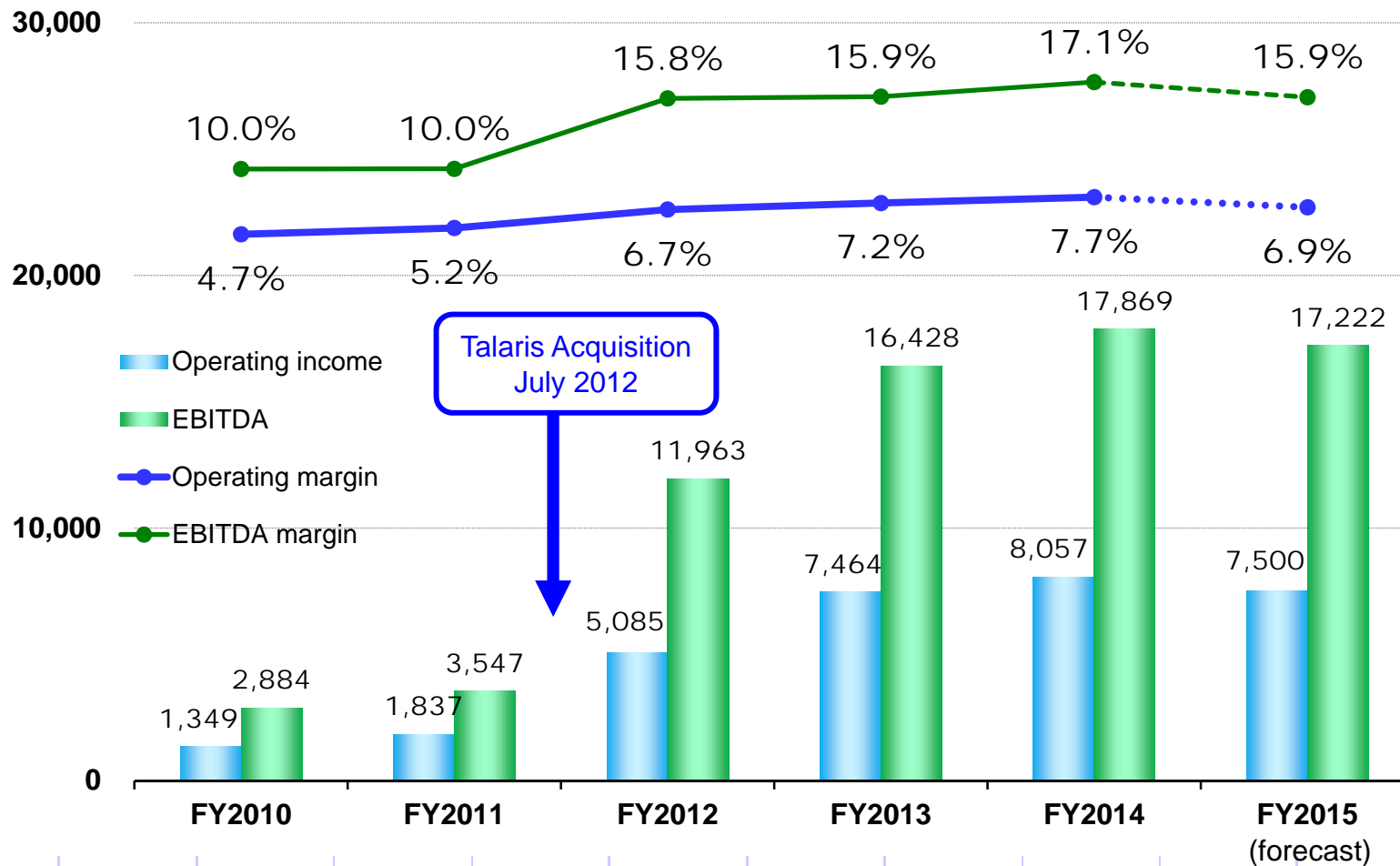


*Foreign currency exchange rate:
 until FY2013 : current exchange rate, from FY2014 : average exchange rate

Overseas Market: Operating income vs. EBITDA



(Millions of yen)



*1 Foreign currency exchange rate: until FY2013 : current exchange rate, from FY2014 : average exchange rate

*2 EBITDA [Overseas Market]=Operating income(loss) + Depreciation and amortization + Goodwill amortization

*3 EBITDA margin [Overseas Market]=(Operating income(loss) + Depreciation and amortization + Goodwill amortization)/Net sales

The Japan Pavilion at Expo Milano 2015

GLORY loaned the ticket vending machine incorporating CASHINFINITY™ system, products for overseas retail market, to the food court located next to the pavilion.



Expo Milano 2015

Period : May 1, 2015 – October 31, 2015

Place : Milano, Italy

Theme : “Feeding the Planet, Energy for Life”

Outline of the Expo :

About 140 countries introduced their food culture and technology at their pavilions.

CASHINFINITY at Disney Store in Shanghai

Installed Products

- Compact cash recycling system <CI-10>
- Cash recycling system <CI-100>
- Banknote sorter <GFS-100>
- Key management system <KBS>



Compact cash recycling system <CI-10>



<CI -10>

Disney store in Shanghai

World's largest and China's first Disney Store opened in May, 2015.

July 2015

Japan's First Coin Counter chosen as "Mechanical Engineering Heritage"

The machine was certified in recognition of its historical value of having contributed to giving credibility to subsequently produced cash handling machines. It helped to realize considerable time and labor savings in cash handling at financial institutions.



Mechanical Engineering Heritage

Certified by Japan Society of Mechanical Engineers to preserve the machines that are considered historically valuable and significant and to pass them on to the next generations as cultural legacies.